



MULTISTATE TAX COMMISSION

MINUTES
Sales & Use Tax Uniformity Subcommittee and
Income & Franchise Tax Uniformity Subcommittee Meetings
Tuesday, June 21, 2011
2:00 – 3:30 Eastern Time
Via Teleconference

I. Welcome and Introduction

Wood Miller, Chair of the Uniformity Committee, welcomed the members. The following persons were in attendance:

Name	Affiliation	Name	Affiliation
Robynn Wilson	AK DOR	Ben Miller	CA-FTB
Dee Wald	ND DOR	Melissa Potter	CA-FTB
Myles Vosberg	ND DOR		
Andrew Glancy	WV DOR		
Rob Carter	KY DOR	Private Sector	
Gary Humphrey	OR DOR	Dan Schibley	CCH
Janielle Lipscomb	OR DOR	Jamie Fenwick	TW Cable
Bruce Christiansen	SD DOR	Karen Nakamura	PWC
Richard Cram	KS DOR	Amy Hamilton	State Tax Notes
Michael Fatale	MA DOR	Diann Smith	Sutherland
Wood Miller	MO DOR	MTC Staff	
Nancy Prosser	TX CPA	Roxanne Bland	Greg Matson
Lili Crane	WI DOR	Elliott Dubin	Ken Beier
Brenda Gilmer	MT DOR	Shirley Sicilian	Joe Huddleston
Carol Rupert	CA - BOE	Bruce Fort	Jeff Silver
Ted Spangler	ID DOR	Sheldon Laskin	Cathy Felix
Louie Gomez	NM TRD		

II. Public Comment Period

There were no public comments at this time.

III. A. Sales & Use Tax Subcommittee

Telecommunications Transactions Tax Centralized Administration Project

Richard Cram, Chair of the Sales & Use Tax Uniformity Subcommittee opened the meeting. Roxanne Bland, MTC Counsel, guided the subcommittee through a discussion of the most recent draft model. There were only two minor non-substantive changes to the previous draft. Following subcommittee discussion, the subcommittee directed that a definition of the term “telecommunications” be added to the model.

B. Income & Franchise Tax Subcommittee

Model Compact Art.IV §1(g) – Definition of Sales

Robynn Wilson, Chair of the Income & Franchise Tax Uniformity Subcommittee opened the meeting and asked Shirley Sicilian, MTC General Counsel, to report the status of the project and summarize the her memo of June 13, including the attached materials. Ms. Sicilian summarized how sales are currently defined in the current Compact and regulations. She then summarized the basic policy decisions the subcommittee must answer to decide if it would like to change either the substance or structure of that current definition. Ms. Sicilian then guided the subcommittee through several alternative draft definitions of “sales.” The definitions fall into two categories. The first category of drafts all reflect the narrow approach. There are three alternative drafts in this category. There is also a sample regulatory definition of the term “customer” that applies to the narrow approach. The second category reflects the broad approach. There is one draft in this category.

The Subcommittee discussed the models. During the discussion, Brenda Gilmer expressed a preference for a narrower definition, provided that the term “customer” not be defined in the model. Alternatively, Ms. Gilmer indicated she could support the broader alternative, which includes a list of transactions that are excluded from the term “sales.” The chair indicated that she does not like the broad definition, because it requires excluding too many transactions from all gross receipts. The chair prefers a narrower approach that states a rule. Following discussion, the subcommittee decided to eliminate alternative 1 of the three alternative versions. It also agreed with the chair’s suggestion that the drafting group add any additional transactions that it would be reasonable to consider.

IV. New Business

There was no new business that came before the subcommittees.

V. Adjournment

The meeting adjourned at 4:30 p.m. Eastern.